

IN THE SENATE

SENATE BILL NO. 1106

BY STATE AFFAIRS COMMITTEE

AN ACT

RELATING TO PERSONNEL SYSTEM; PROVIDING LEGISLATIVE INTENT; AMENDING CHAPTER 53, TITLE 67, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 67-5344, IDAHO CODE, TO PROVIDE FOR HEALTH SAVINGS ACCOUNTS FOR STATE EMPLOYEES WHO CHOOSE A HIGH DEDUCTIBLE HEALTH PLAN, TO DEFINE TERMS, TO PROVIDE FOR DEPOSITS INTO HEALTH SAVINGS ACCOUNTS BY EMPLOYERS, TO PROVIDE FOR CONTRIBUTION OF FUNDS TO A HEALTH SAVINGS ACCOUNT BY STATE EMPLOYEES AND TO AUTHORIZE THE DIVISION OF HUMAN RESOURCES TO PROMULGATE RULES.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. LEGISLATIVE INTENT. It is the intent of the Legislature to encourage, facilitate and fund health savings accounts for employees of the State of Idaho who are enrolled in a high deductible health plan. By encouraging state employees to create a health savings account, they will be empowered to make sound, responsible decisions and better manage their own medical care.

SECTION 2. That Chapter 53, Title 67, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 67-5344, Idaho Code, and to read as follows:

67-5344. STATE CONTRIBUTION TO STATE EMPLOYEE HEALTH SAVINGS ACCOUNTS. (1) All state officers or employees may, for themselves and their eligible dependents, create and maintain a health savings account and choose a high deductible health plan in accordance with the provisions of this section.

(2) As used in this section:

(a) "Employer premium" means the costs to the state of Idaho for a policy of group insurance procured by the department of administration.

(b) "Health savings account" means an account at a financial institution that is designed to help individuals save for future health care expenses pursuant to 26 U.S.C. section 223.

(c) "High deductible health plan" means a health plan qualifying for use with a health savings account pursuant to 26 U.S.C. section 223, and offered by the department of administration to eligible state officers and employees.

(3) State officers or employees who choose a high deductible health plan for themselves and their eligible dependents shall qualify for the deposits provided for in subsection (4) of this section. Such officers or employees shall establish and create a health savings account and provide information concerning such account to their employer.

(4) For each pay period, the employer shall deposit the difference between the employer premium for a state of Idaho high deductible health plan and the employer premium of the lowest deductible group health plan offered

1 by the department of administration in the health savings account estab-
2 lished and created by an officer or employee enrolled in a state of Idaho high
3 deductible health plan. Deposits made pursuant to this subsection shall
4 not exceed the United States internal revenue service's maximum allowable
5 contribution to a health savings account.

6 (5) Nothing in this section shall prohibit state officers or employees
7 with a health savings account from contributing to such account of their own
8 accord.

9 (6) The division of human resources may promulgate rules to implement
10 the provisions of this section.